

CONSOLIDATED PENSION TRUST
INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2003

	December-03							September-03					Current FYTD		Prior Year FY03		3 Years Ended	5 Years Ended
	Allocation			Returns-Quarter		Returns-Month		Allocation			Returns-Quarter		Returns		Returns		6/30/2003	6/30/2003
	Market Value	Actual	Policy (1)	Gross	Net	Gross	Net	Market Value	Actual	Policy (1)	Gross	Net	Gross	Net	Gross	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																		
Structured Growth																		
LA Capital	121,227,871	4.5%	4.5%	9.21%	9.09%	2.15%	2.11%	111,037,259	4.5%	4.5%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	-	0.0%	0.0%	N/A	N/A	N/A	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	-1.18%	-1.48%	-20.46%	-5.64%
Total Structured Growth	121,227,871	4.5%	4.5%	9.21%	9.09%	2.15%	2.11%	111,037,259	4.5%	4.5%	6.70%	6.61%	16.53%	16.31%	-1.18%	-1.48%	-20.46%	-5.64%
Russell 1000 Growth				10.41%	10.41%	3.46%	3.46%				3.92%	3.92%	14.74%	14.74%	2.93%	2.93%	-21.55%	-5.04%
Structured Value																		
LSV	133,726,506	4.9%	4.5%	15.70%	15.58%	5.62%	5.58%	115,972,178	4.7%	4.5%	3.44%	3.33%	19.68%	19.42%	-1.61%	-2.05%	9.06%	3.95%
Russell 1000 Value				14.19%	14.19%	6.16%	6.16%				2.06%	2.06%	16.54%	16.54%	-1.02%	-1.02%	-2.19%	-0.17%
Enhanced Russell 1000 Index																		
LA Capital	125,465,336	4.6%	4.5%	11.85%	11.77%	4.40%	4.38%	112,233,655	4.5%	4.5%	2.94%	2.87%	15.13%	14.98%	1.33%	1.08%	N/A	N/A
Russell 1000				12.26%	12.26%	4.79%	4.79%				3.00%	3.00%	15.63%	15.63%	0.96%	0.96%	N/A	N/A
Enhanced S&P 500 Index																		
Northern Trust	118,738,559	4.4%	4.5%	12.48%	12.40%	5.48%	5.46%	105,621,988	4.3%	4.5%	2.56%	2.50%	15.36%	15.21%	0.55%	0.28%	N/A	N/A
Strong	122,427,446	4.5%	4.5%	12.82%	12.76%	5.52%	5.50%	108,585,822	4.4%	4.5%	2.94%	2.89%	16.14%	16.02%	3.53%	3.30%	N/A	N/A
Westridge	129,368,078	4.8%	4.5%	12.32%	12.22%	5.28%	5.24%	115,281,605	4.7%	4.5%	2.74%	2.65%	15.40%	15.19%	0.94%	0.56%	N/A	N/A
Total Enhanced S&P 500 Index	370,534,083	13.7%	13.5%	12.53%	12.46%	5.42%	5.40%	329,489,415	13.3%	13.5%	2.75%	2.68%	15.63%	15.47%	1.65%	1.35%	N/A	N/A
S&P 500				12.18%	12.18%	5.24%	5.24%				2.64%	2.64%	15.14%	15.14%	0.24%	0.24%	N/A	N/A
S&P 500 Index																		
State Street	83,963,318	3.1%	3.0%	12.17%	12.16%	5.24%	5.24%	74,851,236	3.0%	3.0%	2.64%	2.64%	15.14%	15.12%	0.33%	0.31%	-11.14%	-1.58%
S&P 500				12.18%	12.18%	5.24%	5.24%				2.64%	2.64%	15.14%	15.14%	0.24%	0.24%	-11.20%	-1.61%
TOTAL LARGE CAP DOMESTIC EQUITY	834,917,114	30.8%	30.1%	12.39%	12.31%	4.79%	4.77%	743,583,743	30.0%	30.1%	3.09%	3.02%	15.86%	15.70%	0.76%	0.49%	-9.68%	-2.32%
S&P 500				12.18%	12.18%	5.24%	5.24%				2.64%	2.64%	15.14%	15.14%	0.24%	0.24%	-11.20%	-1.61%
SMALL CAP DOMESTIC EQUITY																		
Manager-of-Managers																		
SEI	282,831,247	10.4%	9.9%	15.09%	14.87%	2.46%	2.39%	257,089,244	10.4%	9.9%	9.89%	9.68%	26.48%	25.99%	1.49%	0.68%	N/A	N/A
Russell 2000 + 200bp (annually)				15.07%	15.07%	2.20%	2.20%				9.60%	9.60%	26.12%	26.12%	0.37%	0.37%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	282,831,247	10.4%	9.9%	15.09%	14.87%	2.46%	2.39%	257,089,244	10.4%	9.9%	9.89%	9.68%	26.48%	25.99%	1.49%	0.68%	-3.37%	-0.65%
Russell 2000				14.52%	14.52%	2.03%	2.03%				9.07%	9.07%	24.91%	24.91%	-1.64%	-1.64%	-3.30%	0.97%
INTERNATIONAL EQUITY																		
Large Cap - Core																		
State Street	87,195,108	3.2%	2.9%	14.40%	14.32%	6.64%	6.62%	76,220,330	3.1%	2.9%	6.16%	6.08%	21.44%	21.27%	-9.69%	-9.96%	-13.28%	-4.72%
MSCI EAFE - 50% Hedged				13.15%	13.15%	5.76%	5.76%				6.58%	6.58%	20.59%	20.59%	-11.24%	-11.24%	-14.65%	-4.18%
Large Cap - Active																		
Capital Guardian	210,685,386	7.8%	7.3%	13.75%	13.62%	5.74%	5.70%	185,377,347	7.5%	7.3%	7.57%	7.45%	22.36%	22.07%	-10.87%	-11.30%	-14.96%	0.47%
Bank of Ireland	41,434,336	1.5%	1.5%	17.66%	17.43%	7.61%	7.54%	35,272,971	1.4%	1.5%	2.85%	2.64%	21.02%	20.53%	-9.53%	-10.28%	N/A	N/A
Total Large Cap - Active	252,119,722	9.3%	8.8%	14.37%	14.22%	6.05%	6.00%	220,650,318	8.9%	8.8%	6.79%	6.65%	22.13%	21.82%	-10.64%	-11.12%	-14.58%	0.74%
MSCI EAFE - 50% Hedged				13.15%	13.15%	5.76%	5.76%				6.58%	6.58%	20.59%	20.59%	-11.24%	-11.24%	-14.65%	-4.18%
Small Cap - Active																		
Lazard	41,838,620	1.5%	1.5%	14.62%	14.41%	5.56%	5.50%	40,417,688	1.6%	1.5%	10.86%	10.66%	27.06%	26.61%	-1.59%	-2.32%	N/A	N/A
Wellington	41,762,630	1.5%	1.5%	11.82%	11.59%	4.87%	4.79%	42,402,890	1.7%	1.5%	17.46%	17.22%	31.34%	30.80%	6.88%	5.97%	N/A	N/A
Total Small Cap - Active	83,601,250	3.1%	2.9%	13.12%	12.90%	5.21%	5.14%	82,820,578	3.3%	2.9%	14.16%	13.94%	29.14%	28.64%	2.57%	1.75%	N/A	N/A
Citigroup Broad Market Index < \$2BN				13.31%	13.31%	6.10%	6.10%				15.95%	15.95%	31.39%	31.39%	3.91%	3.91%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	422,916,080	15.6%	14.7%	14.13%	13.97%	6.00%	5.96%	379,691,226	15.3%	14.6%	8.18%	8.04%	23.47%	23.13%	-7.72%	-8.22%	-12.63%	-0.99%
MSCI EAFE - 50% Hedged				13.15%	13.15%	5.76%	5.76%				6.58%	6.58%	20.59%	20.59%	-11.24%	-11.24%	-14.65%	-4.18%
EMERGING MARKETS EQUITY																		
Capital Guardian	143,962,442	5.3%	4.8%	15.00%	14.85%	7.33%	7.28%	136,644,134	5.5%	4.8%	14.78%	14.62%	32.00%	31.64%	7.77%	7.15%	-10.61%	1.62%
MSCI Emerging Markets Free				17.81%	17.81%	7.25%	7.25%				14.23%	14.23%	34.57%	34.57%	6.96%	6.96%	-7.07%	2.49%
DOMESTIC FIXED INCOME																		
Core Bond																		
Western Asset	52,520,935	1.9%	2.2%	1.29%	1.24%	1.26%	1.25%	50,818,950	2.1%	2.2%	-0.43%	-0.47%	0.85%	0.76%	13.63%	13.42%	11.88%	8.58%
Lehman Aggregate				0.32%	0.32%	1.02%	1.02%				-0.15%	-0.15%	0.17%	0.17%	10.39%	10.39%	10.07%	7.54%
Active Duration																		
WestAM (Criterion)	51,480,656	1.9%	2.2%	0.38%	0.31%	1.12%	1.10%	50,229,746	2.0%	2.2%	-0.33%	-0.40%	0.05%	-0.08%	10.21%	9.93%	9.39%	6.85%
Lehman Aggregate				0.32%	0.32%	1.02%	1.02%				-0.15%	-0.15%	0.17%	0.17%	10.39%	10.39%	10.07%	7.54%
Index																		
Bank of ND	80,913,470	3.0%	3.3%	-0.09%	-0.10%	1.02%	1.01%	80,700,601	3.3%	3.3%	-0.72%	-0.73%	-0.80%	-0.83%	12.65%	12.59%	11.06%	7.79%
Bank of ND Match Loan CD Program	23,127,806	0.9%	0.9%	1.41%	1.41%	0.47%	0.47%	23,086,286	0.9%	0.9%	1.43%	1.43%	2.86%	2.86%	5.83%	5.83%	5.84%	5.85%
Total Index	104,041,276	3.8%	4.2%	0.25%	0.23%	0.89%	0.89%	103,786,887	4.2%	4.2%	-0.20%	-0.21%	0.05%	0.02%	10.82%	10.77%	10.08%	7.44%
Lehman Gov/Credit				-0.03%	-0.03%	0.99%	0.99%				-0.50%	-0.50%	-0.53%	-0.53%	13.15%	13.15%	10.82%	7.83%

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	December-03							September-03					Current FYTD		Prior Year FY03		3 Years Ended	5 Years Ended
	Market Value	Allocation		Returns-Quarter		Returns-Month		Market Value	Allocation		Returns-Quarter		Returns		Returns		6/30/2003	6/30/2003
		Actual	Policy (1)	Gross	Net	Gross	Net				Gross	Net	Gross	Net	Gross	Net	Net	Net
Convertibles																		
TCW	56,876,847	2.1%	2.2%	10.11%	10.00%	3.75%	3.72%	51,705,431	2.1%	2.2%	1.95%	1.84%	12.26%	12.03%	10.83%	10.37%	-9.08%	N/A
First Boston Convertible Index				8.54%	8.54%	2.79%	2.79%				2.67%	2.67%	11.44%	11.44%	15.35%	15.35%	-3.81%	N/A
BBB Average Quality																		
Strong	52,022,048	1.9%	2.2%	1.53%	1.47%	1.75%	1.73%	51,266,682	2.1%	2.2%	0.22%	0.16%	1.75%	1.63%	15.08%	14.81%	10.35%	N/A
Lehman US Credit BAA				1.22%	1.22%	1.41%	1.41%				0.27%	0.27%	1.50%	1.50%	18.33%	18.33%	9.91%	N/A
Timberland																		
Evergreen (Wachovia)	100,637,763	3.7%	3.7%	6.27%	6.11%	0.00%	-0.05%	94,703,201	3.8%	3.8%	0.00%	-0.15%	6.27%	5.95%	13.17%	12.50%	N/A	N/A
																	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	417,579,525	15.4%	16.7%	3.24%	3.16%	1.24%	1.21%	402,510,897	16.2%	16.8%	0.18%	0.11%	3.43%	3.27%	11.90%	11.62%	6.95%	6.77%
Lehman Aggregate				0.32%	0.32%	1.02%	1.02%				-0.15%	-0.15%	0.17%	0.17%	10.39%	10.39%	10.07%	7.54%
HIGH YIELD BONDS																		
Western Asset	151,049,709	5.6%	5.8%	5.58%	5.54%	2.33%	2.32%	143,123,357	5.8%	5.8%	2.03%	1.99%	7.72%	7.63%	20.23%	20.04%	2.51%	4.15%
Lehman High Yield Bond Index				5.91%	5.91%	2.26%	2.26%				2.77%	2.77%	8.85%	8.85%	22.77%	22.77%	5.44%	2.66%
INTERNATIONAL FIXED INCOME																		
International Sovereign																		
UBS Global (Brinson)	64,953,389	2.4%	2.5%	6.59%	6.49%	4.72%	4.68%	57,604,134	2.3%	2.5%	3.27%	3.18%	10.08%	9.88%	18.62%	18.20%	8.47%	5.93%
Citigroup Non-US Gov't Bond Index (2)				6.71%	6.71%	4.77%	4.77%				2.75%	2.75%	9.64%	9.64%	17.91%	17.91%	8.10%	6.29%
International Core																		
Brandywine	65,694,106	2.4%	2.5%	7.42%	7.30%	4.95%	4.91%	56,376,383	2.3%	2.5%	1.62%	1.51%	9.16%	8.92%	N/A	N/A	N/A	N/A
Lehman Global Aggregate (ex-US)				6.77%	6.77%	4.89%	4.89%				2.76%	2.76%	9.72%	9.72%	N/A	N/A	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	130,647,495	4.8%	5.0%	7.01%	6.91%	4.83%	4.80%	113,980,517	4.6%	5.0%	2.45%	2.34%	9.63%	9.41%	18.26%	17.83%	8.36%	5.86%
Citigroup Non-US Gov't Bond Index (2)				6.71%	6.71%	4.77%	4.77%				2.75%	2.75%	9.64%	9.64%	17.91%	17.91%	8.10%	6.29%
REAL ESTATE																		
JMB	33,823			12.83%	12.83%	12.83%	12.83%	52,810			-8.75%	-8.75%	2.96%	2.96%	-18.62%	-18.62%	-5.76%	0.42%
INVESCO	99,339,483			2.39%	2.16%	0.95%	0.88%	85,093,575			0.60%	0.37%	3.00%	2.54%	9.12%	8.15%	8.00%	7.69%
J.P. Morgan	84,732,475			3.44%	3.16%	1.28%	1.18%	82,140,606			2.71%	2.43%	6.25%	5.66%	9.02%	7.80%	7.36%	10.23%
TOTAL REAL ESTATE	184,105,781	6.8%	6.8%	2.89%	2.63%	1.10%	1.02%	167,286,991	6.8%	6.8%	1.62%	1.36%	4.55%	4.03%	9.04%	7.97%	7.69%	9.00%
NCREIF Total Index				1.97%	1.97%	0.65%	0.65%				1.97%	1.97%	3.98%	3.98%	7.64%	7.64%	8.51%	10.16%
ALTERNATIVE INVESTMENTS																		
Brinson IVCF III	1,008,543			1.29%	1.29%	2.09%	2.09%	902,791			13.02%	13.02%	14.48%	14.48%	-13.82%	-16.94%	3.23%	52.67%
Brinson IVCF II	199,179			11.72%	11.72%	11.72%	11.72%	275,245			-0.23%	-0.23%	11.46%	11.46%	-2.92%	-7.44%	-23.62%	10.02%
Coral Partners II	115,719			2.23%	2.23%	7.17%	7.17%	167,358			9.73%	9.73%	12.18%	12.18%	26.44%	10.56%	-36.34%	-15.79%
Coral Partners V	21,150,062			-1.26%	-1.26%	-1.26%	-1.26%	20,419,789			-6.88%	-6.88%	-8.05%	-8.05%	-17.90%	-22.52%	-20.83%	-9.87%
Coral Partners V - Supplemental	1,052,233			-0.95%	-0.95%	-0.95%	-0.95%	1,062,290			-15.67%	-15.67%	-16.47%	-16.47%	-25.44%	-28.36%	N/A	N/A
Coral Partners VI	3,169,971			-4.63%	-4.63%	-4.63%	-4.63%	3,323,779			-12.18%	-12.18%	-16.25%	-16.25%	N/A	N/A	N/A	N/A
Brinson 1998 Partnership Fund	3,603,218			2.36%	2.36%	4.04%	4.04%	3,726,810			4.07%	4.07%	6.53%	6.53%	-12.68%	-14.73%	-11.35%	1.31%
Brinson 1999 Partnership Fund	4,834,112			4.99%	4.99%	4.99%	4.99%	4,604,188			0.98%	0.98%	6.02%	6.02%	-14.30%	-16.31%	-14.42%	N/A
Brinson 2000 Partnership Fund	8,220,702			2.47%	2.47%	2.30%	2.30%	7,402,764			0.67%	0.67%	3.15%	3.15%	-11.93%	-13.99%	-9.08%	N/A
Brinson 2001 Partnership Fund	2,519,553			-1.11%	-1.11%	-1.11%	-1.11%	2,547,803			0.43%	0.43%	-0.68%	-0.68%	-3.75%	-5.98%	N/A	N/A
Brinson 2002 Partnership Fund	1,703,990			-1.16%	-1.16%	-1.16%	-1.16%	1,724,047			12.21%	12.21%	10.91%	10.91%	11.64%	9.08%	N/A	N/A
Brinson 2003 Partnership Fund	166,504			-0.24%	-0.24%	-0.24%	-0.24%	166,900			-3.58%	-3.58%	-3.81%	-3.81%	N/A	N/A	N/A	N/A
Brinson 1999 Non-US Partnership Fund	2,313,155			5.58%	5.58%	5.35%	5.35%	2,521,132			6.32%	6.32%	12.25%	12.25%	16.90%	13.12%	2.21%	N/A
Brinson 2000 Non-US Partnership Fund	3,118,250			0.52%	0.52%	0.52%	0.52%	3,102,228			2.82%	2.82%	3.35%	3.35%	13.18%	9.50%	-1.63%	N/A
Brinson 2001 Non-US Partnership Fund	1,714,130			1.18%	1.18%	1.18%	1.18%	1,694,138			7.50%	7.50%	8.77%	8.77%	2.96%	-0.41%	N/A	N/A
Brinson 2002 Non-US Partnership Fund	2,596,680			0.96%	0.96%	0.96%	0.96%	2,343,986			3.71%	3.71%	4.71%	4.71%	8.88%	5.34%	N/A	N/A
Brinson 2003 Non-US Partnership Fund	443,111			0.05%	0.05%	0.02%	0.02%	152,461			-0.05%	-0.05%	0.00%	0.00%	N/A	N/A	N/A	N/A
Brinson BVCF IV	11,853,395			-3.67%	-3.67%	0.00%	0.00%	12,304,749			-1.02%	-1.02%	-4.65%	-4.65%	-11.26%	-14.64%	-18.80%	N/A
Matlin Patterson Global Opportunities	27,764,303			10.99%	10.99%	0.00%	0.00%	25,015,034			0.00%	0.00%	10.99%	10.99%	N/A	N/A	N/A	N/A
InvestAmerica	3,515,666			0.00%	0.00%	0.00%	0.00%	3,515,666			0.00%	0.00%	0.00%	0.00%	7.27%	-12.50%	N/A	N/A
Hearthstone MSII	3,988,652			15.36%	15.36%	0.00%	0.00%	4,751,811			5.06%	5.06%	21.20%	21.20%	43.69%	28.98%	13.57%	N/A
Hearthstone MSIII	10,080,853			0.00%	0.00%	0.00%	0.00%	593,695			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (3)	115,131,981	4.3%	4.8%	3.27%	3.27%	0.33%	0.33%	102,318,664	4.1%	4.8%	-0.96%	-0.96%	2.28%	2.28%	-5.11%	-10.09%	-13.23%	-0.44%
CASH EQUIVALENTS																		
Northern Trust STIF/STEP	24,551,881	0.9%	1.5%	0.37%	0.32%	0.11%	0.09%	31,045,406	1.3%	1.5%	0.40%	0.35%	0.77%	0.67%	2.03%	1.84%	3.33%	4.22%
90 Day T-Bill				0.26%	0.26%	0.10%	0.10%				0.25%	0.25%	0.50%	0.50%	1.52%	1.52%	3.33%	4.07%
TOTAL PENSION TRUST	2,707,693,255	100.0%	100.0%	9.72%	9.60%	3.65%	3.61%	2,477,274,179	100.0%	100.0%	4.31%	4.19%	14.45%	14.20%	4.51%	3.85%	-3.35%	2.04%
POLICY TARGET BENCHMARK				8.84%	8.84%	3.57%	3.57%				3.73%	3.73%	12.90%	12.90%	3.42%	3.42%	-4.21%	1.77%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Because each fund within the Pension Trust has a different policy allocation, the consolidated report reflects a weighted average of all of the funds' policy allocations.

(2) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.